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7 *Special Counsel for Debtor*

8
9 **UNITED STATES BANKRUPTCY COURT**
10 **DISTRICT OF NEVADA**

11 In re:
12
13 Front Sight Management LLC,
14
15 Debtor.

Case No. 22-11824-abl
Chapter 11

Hearing Date: November 18, 2022
Hearing Time: 9:30 a.m.

16
17 **DECLARATION OF JAMES S. MACE**

18 I, James S. Mace, declare as follows:

- 19 1. I am an attorney licensed to practice law in the State of Nevada and am a shareholder
20 with the law firm of Greenberg Traurig, LLP, special counsel for Debtor.
- 21 2. I am competent to testify to the matters stated herein based upon personal knowledge.
- 22 3. This Declaration is made in support of Greenberg Traurig, LLP’s First and Final
23 Application for the Allowance of Compensation for Professional Services Rendered (the “Fee
24 Application”).
- 25 4. I reviewed the Fee Application, and the matters stated therein are true to the best of my
26 knowledge, information, and belief.
- 27 5. Greenberg Traurig, LLP (“GT”) has an excellent reputation within the legal community
28 with extensive experience in handling all types of commercial litigation matters.

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1 6. I was the lead attorney handling this matter. I am an AV-rated attorney by Martindale-
2 Hubbell and I have been practicing law for 38 years, including 29 years in the State of Nevada.

3 7. I am experienced in representing businesses in all manners of transactional matters,
4 including matters similar to the matters discussed in the Application.

5 8. I oversaw this matter, ensuring all tasks were assigned and performed timely and
6 effectively and with utilizing lower billing rates whenever possible.

7 9. Following the Debtor's bankruptcy filing, the Debtor's representatives requested GT to
8 provide advice and legal documentation for the Debtor's membership program whereby members
9 would get access to and benefits at the Front Sight Property shooting facilities.

10 10. As stated in the Debtor's Application to Employ GT (ECF No. 329), the Debtor retained
11 GT "to provide legal advice and assistance related to developing a membership plan and drafting
12 membership agreement templates and related documentation." ECF No. 329, ¶ 16. Furthermore, the
13 Debtor "selected GT based on its extensive experience in structuring and developing membership
14 programs in the context of business reorganizations under chapter 11 of the Bankruptcy Code." *Id.*, ¶
15 13.

16 11. A true and correct copy of GT's statement of qualifications, which includes certain
17 summaries of the background, education, and professional experience for me and Mark Hillier, the GT
18 attorneys primarily handling this matter, is attached to the Fee Application as **Exhibit 1**.

19 12. Attached as **Exhibit 2** to the Fee Application are true and correct copies of GT's
20 contemporaneous billing records. In accordance with Federal Rule of Bankruptcy Procedure 2016,
21 these records reflect in detail (1) the services rendered by GT, (2) the time expended, and (3) the
22 amounts requested.

23 13. As reflected on Exhibit 2, GT spent a total of 35.9 hours during the Fee Period, resulting
24 in a total of \$19,925.50 in fees. The blended rate for the work GT performed is approximately \$555.03
25 per hour. The blended rate for only attorney time was approximately \$728.54.

26 14. GT anticipates that it will have spent an additional 9 hours preparing and filing this Fee
27 Application. Using the same overall blended rate of \$555.03 for this estimated work, GT respectfully
28 requests an additional \$5,000 in estimated fees for the preparation and filing of this Fee Application.

1 15. GT does not request any expenses.

2 16. Accordingly, GT requests allowance of fees for services as special counsel to the Debtor
3 in the total amount of \$24,925.50.

4 17. No payments have been made to GT in any capacity whatsoever in connection with this
5 case.

6 18. GT entered into no agreement and made no understanding, formal or otherwise, with
7 any person or entity concerning the sharing of compensation to be received, except as among the
8 principals of GT

9 19. GT maintains the daily time logs on Exhibit 2 detailing time spent by each attorney and
10 paraprofessional who rendered professional services to or on the Debtor's behalf during the Fee Period.
11 These daily time logs are maintained in the ordinary course of GT's practice. The compensation
12 requested by GT is based upon the customary compensation charged by comparably skilled
13 practitioners in cases other than cases under the Bankruptcy Code.

14 20. The GT shareholders and associates who rendered professional services to or on behalf
15 of the Debtor and its professionals in this case are as follows: Mark Hillier, Esq. and James S. Mace,
16 Esq. GT has also advised and assisted the Debtor with Beth Gripor, a paralegal.

17 21. GT diligently worked to coordinate and facilitate the efficient prosecution of the matters
18 for which it is employed. GT staffed this matter appropriately, considering this matter's significance,
19 complexity, difficulty. Due to the highly specialized area, fractional membership agreements during a
20 bankruptcy reorganization, it is not always possible to delegate authority to persons with lower billing
21 rates. That said, GT took great care to ensure there has been no duplication of effort on any task and
22 delegation wherever possible. On certain occasions, when more than one attorney attended a meeting
23 or hearing, the attendance was necessary to represent adequately the interests of the Debtor and provide
24 the context from which appropriate advice and counsel could be given.

25 22. GT reviews all client billings for reasonableness and accordingly adjusts billings
26 consistent with the value of the services provided. GT charges hourly rates that are similar to, if not
27 lower than, those rates charged by comparable law firms for similar legal services.

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1 23. GT believes that the fees and expenses sought in this Application are appropriate. GT
2 also believes that the fees are reasonable and necessary given the unique and complex scope and
3 difficulty involved: fractional membership agreements in a bankruptcy reorganization context.

4 24. GT has extensive experience in fractional membership agreements and business
5 reorganizations under Chapter 11 of the Bankruptcy Code, including in Nevada. Additionally, GT has
6 extensive expertise and experience practicing before this Court. As such, GT was uniquely qualified to
7 represent the Debtor’s interests related to fractional membership in this Chapter 11 Case.

8 25. GT needed to expend significant time and effort to ensure a thorough membership
9 agreement review and restructuring. Fractional membership agreements alone necessitate thorough
10 review and consideration. However, fractional membership agreements in a Chapter 11 reorganization
11 context require significantly more time and labor to more fully consider unique circumstances inherent
12 in the Chapter 11 reorganization context.

13 26. In the Nevada market, GT has somewhat unique and incomparable experience
14 structuring fractional membership agreements during a Chapter 11 bankruptcy reorganization. This
15 dearth of experience in the Nevada market weighs heavily towards a high “novelty” and “difficulty”
16 finding. Moreover, fractional membership agreements are not commonplace or used in most
17 businesses. Given this relative lack of businesses who utilize fractional membership agreements, this
18 area of law should be considered relatively “novel” and “difficult.” When bankruptcy reorganization
19 is added to this scope, there can be little doubt that the “novelty” and “difficulty” only increases.

20 27. Given this matter’s significant novelty and difficulty, this work requires significant skill.
21 GT’s professionals are very experienced and qualified to conduct this work, including the specific
22 professionals on the case: Mark Hillier, Esq., James S. Mace, Esq., and Beth Gripor.

23 28. GT did not need to turn away other work to take this case. That said, during the periods
24 devoted to work as special counsel, these professionals had their capacity to work on other matters
25 reduced.

26 29. GT’s fees are standard hourly rates. GT charges rates competitive with comparable
27 attorneys, with similar experience, in the market offering similar legal services.

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1 30. GT charged its fees on a customary hourly basis, and the instant charges for professional
2 legal services are at the professionals’ standard hourly rate charged in similar matters and were not
3 provided on a contingent basis.

4 31. GT charged fees similar to fees charged in the ordinary course of business for
5 comparable work, and the amount involved is reasonable given the complexity of the issues involved
6 in the case—the structuring of fractional membership agreements during a Chapter 11 bankruptcy
7 reorganization. Regarding the result, GT’s counsel helped the Debtor focus its reorganization in a
8 beneficial way, even though the Debtor ultimately changed course.

9 32. Mark Hillier, Esq. and I have extensive experience, an excellent reputation, and
10 unparalleled ability in this field: structuring fractional membership agreements in a Chapter 11
11 reorganization’s midst. Indeed, very few law firms and attorneys can complete this highly specialized
12 work. Mr. Hillier has experience in recreation, corporate, and hospitality law. Mr. Hillier has extensive
13 experience structing private residence and fractional membership programs, including, but not limited
14 to marina slip membership programs, resort membership programs, community-based and stand-alone
15 golf and country club membership programs in the United States, Canada, the Caribbean and Mexico.
16 I manage GT’s Las Vegas office. I have experience in all manner of real estate transactions. In addition,
17 I have extensive experience in the hospitality industry, *i.e.* the Debtor’s industry (in part), including
18 fractional membership agreements like timeshare agreements.

19 33. Given this work’s highly specialized nature, I am not aware that any awards have been
20 given for similar work.

21 34. I declare under penalty of perjury under the laws of the United States of America that
22 the foregoing is true and correct.

23 DATED this 20th day of October, 2022.

24 **GREENBERG TRAUIG, LLP**

25 _____
26 */s/ James S. Mace*

27 JAMES S. MACE

28 Declarant

CERTIFICATE OF SERVICE

I hereby certify that on this 20th day of October, 2022, a true and correct copy of the foregoing was filed electronically via the Court’s CM/ECF system. Notice of filing will be served on all parties by operation of the Court’s EM/ECF system, and parties may access this filing through the Court’s CM/ECF system.

/s/Andrea Flintz
An employee of Greenberg Traurig, LLP

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